

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re: UNIT CORPORATION, <i>et al.</i>, Debtors.¹	§ § § § § § §	Case No. 20-32740 (DRJ) (Chapter 11) (Jointly Administered) Re: Docket Nos. 163, 249, 307 & 320
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NOTICE OF FILING THIRD PLAN SUPPLEMENT

PLEASE TAKE NOTICE that on **June 24, 2020**, the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) filed the solicitation version of the *Debtors’ Joint Chapter 11 Plan of Reorganization* (as amended or modified from time to time and including all exhibits and supplements thereto, the “**Plan**”)² attached as Exhibit A to the *Disclosure Statement for the Debtors’ Joint Chapter 11 Plan of Reorganization* [Docket No. 197, Ex. A].

PLEASE TAKE FURTHER NOTICE that on **July 22, 2020**, the Debtors filed the *Supplement to the Debtors’ First Revised Proposed Joint Chapter 11 Plan of Reorganization* [Docket No. 249] (the “**First Plan Supplement**”).

PLEASE TAKE FURTHER NOTICE that on **July 31, 2020**, the Debtors filed the *Second Supplement to the Debtors’ First Revised Proposed Joint Chapter 11 Plan of Reorganization* [Docket No. 307] (the “**Second Plan Supplement**”).

PLEASE TAKE FURTHER NOTICE that on **August 3, 2020**, the Debtors filed the *Debtors’ Amended Joint Chapter 11 Plan of Reorganization* [Docket No. 320] (the “**Amended Plan**”).

PLEASE TAKE FURTHER NOTICE that the Debtors hereby file this third plan supplement (together with the First Plan Supplement and the Second Plan Supplement, the “**Plan Supplement**”).

¹ The Debtors in these chapter 11 cases and the last four digits of their respective federal tax identification numbers are: 8200 Unit Drive, L.L.C. (1376); Unit Corporation (3193); Unit Drilling Colombia, L.L.C. (1087); Unit Drilling Company (5145); Unit Drilling USA Colombia, L.L.C. (0882); and Unit Petroleum Company (5963). The location of the Debtors’ U.S. corporate headquarters and the Debtors’ service address is: 8200 South Unit Drive, Tulsa, Oklahoma 74132.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

PLEASE TAKE FURTHER NOTICE that this Plan Supplement includes the following documents, as may be modified, amended, or supplemented from time to time in accordance with the Plan:

- **Exhibit N** – Description of 401(k) Employee Thrift Plan Participant Eligibility to Receive the Warrant Package

PLEASE TAKE FURTHER NOTICE that the Plan Supplement and any exhibits, appendices, supplements, or annexes to the Plan Supplement documents are incorporated into the Plan by reference and are a part of the Plan as if set forth therein. If the Plan is confirmed, the Plan Supplement will be approved as well.

PLEASE TAKE FURTHER NOTICE that the documents contained in this Plan Supplement are not final and subject to continuing negotiations among the Debtors, the RBL Agent, the Consenting RBL Lenders, and the Consenting Noteholders (collectively, the “*Consent and Consultation Parties*”), as applicable. The Debtors reserve the right to alter, amend, modify, or supplement any document in the Plan Supplement in accordance with the Plan and subject to the consent and consultation rights in the Plan and the Restructuring Support Agreement. The Consent and Consultation Parties reserve all rights to further comment on any such amendments, revisions or supplements of the Plan Supplement, and any of the documents and designations contained therein in order to reach agreement with the Debtors on the final form of the Plan Supplement documents, at any time before the Effective Date, or any such date as may be provided for by the Plan or by order of the Bankruptcy Court. If any document in the Plan Supplement is altered, amended, modified, or supplemented in any material respect, the Debtors will file a revised version of such document with the Court.

PLEASE TAKE FURTHER NOTICE that the Debtors will seek confirmation of the Plan at the Combined Hearing scheduled for **3:30 p.m. (Prevailing Central Time) on August 6, 2020**, before the Honorable David R. Jones at the United States Bankruptcy Court for the Southern District of Texas, Houston Division, 515 Rusk Street, Courtroom 400, Houston, Texas 77002.

PLEASE TAKE FURTHER NOTICE that copies of the Plan may be obtained free of charge by (i) visiting the website maintained by the Debtors’ voting agent, Prime Clerk LLC (“*Prime Clerk*” or the “*Voting Agent*”), at <https://cases.primeclerk.com/UnitCorporation>, or (ii) by contacting the Voting Agent at the following address, telephone number, or email address: Unit Corporation Ballot Processing, c/o Prime Clerk LLC, One Grand Central Place, 60 East 42nd Street (Park Avenue), Suite 1440, New York, NY 10165; (877) 720-6581 (U.S. toll free); (646) 979-4412 (local); UnitCorporationBallots@primeclerk.com. In addition, copies of the Plan and other filings may be obtained at or viewed for a fee on the Court’s website, <http://www.txs.uscourts.gov>, by following the directions for accessing the ECF system on such website.

Dated: August 6, 2020
Houston, Texas

/s/ Harry A. Perrin

VINSON & ELKINS LLP

Harry A. Perrin (TX 15796800)

Paul E. Heath (TX 09355050)

Matthew J. Pyeatt (TX 24086609)

1001 Fannin Street, Suite 2500

Houston, TX 77002-6760

Tel: 713.758.2222

Fax: 713.758.2346

hperrin@velaw.com; pheath@velaw.com;

mpyeatt@velaw.com

- and -

David S. Meyer (admitted *pro hac vice*)

Lauren R. Kanzer (admitted *pro hac vice*)

1114 Avenue of the Americas, 32nd Floor

New York, NY 10036

Tel: 212.237.0000

Fax: 212.237.0100

dmeyer@velaw.com; lkanzer@velaw.com

**ATTORNEYS FOR THE DEBTORS AND
DEBTORS IN POSSESSION**

CERTIFICATE OF SERVICE

I certify that on August 6, 2020, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Harry A. Perrin

One of Counsel

Exhibit N

Description of 401(k) Employee Thrift Plan Participant Eligibility to Receive the Warrant Package

As described in the Disclosure Statement, certain full-time employees who meet specified service requirements may contribute a percentage of their total compensation, up to a specified maximum, to the Unit Corporation Employees' Thrift Plan (the "**401(k) Employee Thrift Plan**").¹ Unit Corp. has historically matched employee contributions at Unit Corp.'s discretion, up to a specified maximum, in shares of Unit Corp. common stock or, beginning in February 2020, in cash. As a result of employee and Unit Corp. contributions over time, the 401(k) Employee Thrift Plan holds shares of Unit Corp.'s common stock for the benefit of certain participating current and former employees.

Eligible current and former employees that participate in the 401(k) Employee Thrift Plan beneficially own interests in Class A-8 (Unit Corp. Interests) and, pursuant to the Plan, each such Holder may be eligible to receive its Pro Rata share of the Warrant Package if it does not elect to opt out of the Plan releases. However, laws governing the 401(k) Employee Thrift Plan may prevent the Thrift Plan from holding the warrants that make up the Warrant Package without the granting of exemptive relief from the Department of Labor. The Debtors have sought such exemptive relief but do not anticipate that relief, if granted, would become effective prior to the Combined Hearing. If relief is granted, the participants in the 401(k) Employee Thrift Plan may not be able to recover their Pro Rata shares of the Warrant Package until sometime after the Effective Date and following certain distributions to other holders of Claims and Interests.

Additionally, the decision of whether the 401(k) Employee Thrift Plan shall opt out of the Plan releases or not, is not a decision that participants in the 401(k) Employee Thrift Plan can make, but instead is a fiduciary decision that must be made by a 401(k) Employee Thrift Plan fiduciary.

In light of the foregoing, the Debtors continue to assess all alternatives regarding the proposed Warrant Package distributions to participants in the 401(k) Employee Thrift Plan and the Department of Labor proposed exemption review process, but cannot be certain that a 401(k) Employee Thrift Plan fiduciary will determine to not opt out of the Plan release or that the 401(k) Employee Thrift Plan would be permitted to hold the Pro Rata shares of the Warrant Package.

In order to facilitate distributions of the Warrant Package to the 401(k) Employee Thrift Plan after the Effective Date, to the extent it is eligible to hold such warrants, the Debtors have included language in the proposed Confirmation Order allowing the Pro Rata shares of the Warrant Package allocable to the 401(k) Employee Thrift Plan on the Distribution Record Date to be held by the Reorganized Debtors until such time as the Warrant Package can be distributed to the 401(k) Employee Thrift Plan, or if the Warrant Package is determined not to be distributable to the 401(k) Employee Thrift Plan, then cancelled.

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the *Debtors' Amended Joint Chapter 11 Plan of Reorganization* [Docket No. 320] (as may be amended, supplemented, or modified from time to time, including all exhibits and schedules thereto, the "**Plan**").